



PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

EMPLOYMENT TRENDS

The Panhandle's seasonally adjusted unemployment rate rose to 8.6 percent in June as rainy, cool weather hampered outdoor activity and the U.S. economic slowdown continued to affect the region. The unemployment rate rose from 8.0 percent in June 2001 to 8.6 percent a year later because the number of unemployed residents grew nearly 10 percent while the number of employed residents grew much more slowly.

Between June 2001 and June 2002, 1,870 more Panhandle residents found employment, increasing employment 2.3 percent as shown in Panhandle Table 1. In contrast, in an average year between 1991 and 2001, 2,260 more Panhandle residents found employment, increasing total employment 3.9 percent.

Although the Panhandle's total employment from June 2001 to June 2002 grew relatively slowly compared to earlier years, the Panhandle still enjoyed the strongest employment growth of any Idaho region, and Idaho has fared relatively well in this recession. Idaho employment rose 0.9 percent, adding 5,730 employed residents between June 2001 and June 2002, while U.S. total employment decreased 0.7 percent, losing 950,000 employed residents. In the same period, the Panhandle's total employment increased 2.3 percent, by 1,870 residents. In Region 2 (North Central Idaho including Lewiston and Moscow), total employment increased equally fast, growing 2.3 percent, by 1,070 residents. The next fastest-growing region was Region 6, the Idaho Falls area, with employment growing 1.1 percent, by 910 residents. Region 3, Southwest Idaho including Boise and Nampa, added the second highest number of employed residents, growing 0.7 percent, by 1,840 jobs. All the other regions grew, but by less than one percent, and added fewer than 1,000 employed residents each.

Between May and June, the Panhandle added 1,130 *Nonfarm Payroll Jobs*. In the last five years, the Panhandle normally has added 2,020 jobs between May and June. Poor weather and a drop in

Panhandle Table 1: Labor Force & Employment

| | June 2002* | May 2001 | June 2001 | % Change From | |
|--|---------------|-------------|--------------|---------------|--------------|
| | | | | Last Month | Last Year |
| INDIVIDUALS BY PLACE OF RESIDENCE | | | | | |
| Seasonally Adjusted | | | | | |
| Civilian Labor Force | 91,800 | 91,810 | 89,220 | 0.0 | 2.9 |
| Unemployed | 7,870 | 7,370 | 7,160 | 6.8 | 9.9 |
| % of Labor Force Unemployed | 8.6 | 8.0 | 8.0 | | |
| Total Employment | 83,930 | 84,440 | 82,060 | -0.6 | 2.3 |
| Unadjusted | | | | | |
| Civilian Labor Force | 92,920 | 91,720 | 90,380 | 1.3 | 2.8 |
| Unemployed | 6,580 | 7,030 | 5,950 | -6.4 | 10.6 |
| % of Labor Force Unemployed | 7.1 | 7.7 | 6.6 | | |
| Total Employment | 86,340 | 84,690 | 84,430 | 1.9 | 2.3 |
| JOBS BY PLACE OF WORK | | | | | |
| Nonfarm Payroll Jobs** | 69,680 | 68,550 | 69,370 | 1.6 | 0.4 |
| Goods-Producing Industries | 13,600 | 13,230 | 14,680 | 2.8 | -7.4 |
| Mining | 580 | 550 | 850 | 5.5 | -31.8 |
| Construction | 4,900 | 4,540 | 5,030 | 7.9 | -2.6 |
| Manufacturing | 8,120 | 8,140 | 8,800 | -0.2 | -7.7 |
| Lumber & Wood Products | 3,750 | 3,720 | 4,170 | 0.8 | -10.1 |
| All Other Manufacturing | 4,370 | 4,420 | 4,630 | -1.1 | -5.6 |
| Service-Producing Industries | 56,080 | 55,320 | 54,690 | 1.4 | 2.5 |
| Transportation | 1,530 | 1,360 | 1,570 | 12.5 | -2.5 |
| Communication & Utilities | 1,120 | 1,110 | 1,090 | 0.9 | 2.8 |
| Wholesale Trade | 2,210 | 2,130 | 2,200 | 3.8 | 0.5 |
| Retail Trade | 15,060 | 14,670 | 15,240 | 2.7 | -1.2 |
| Finance, Insurance & Real Estate | 2,730 | 2,780 | 2,710 | -1.8 | 0.7 |
| Service & Miscellaneous | 18,660 | 18,410 | 17,360 | 1.4 | 7.5 |
| Government Administration | 9,570 | 9,290 | 9,290 | 3.0 | 3.0 |
| Government Education | 5,200 | 5,570 | 5,230 | -6.6 | -0.6 |
| * Preliminary estimate | | | | | |
| **Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month | | | | | |

commercial construction prevented *Construction* from adding as many jobs as normal. Logging in the *Lumber and Wood Products* group did not add as many jobs as it normally does because mill demand for logs is down and rainy, cool weather reduced logging activity in June. *Retail Trade* including stores and restaurants also hired fewer workers this summer than normal. Despite the addition of 100 jobs by the Center Partners call center in Post Falls, *Services* added fewer jobs between May and June than normal. In *Services*, the greatest losses came from temporary employment agencies and hotels and other lodging places. *Transportation*, including cruise boats, and *Government Administration*, including the U.S. Forest Service and other forest and land agencies, added approximately as many jobs as they normally do between May and June.

The layoff of 118 employees at the Harpers furniture plant in Post Falls that began at the end of May reduced June's *Other Manufacturing* employment. Fortunately, the layoff proved to be short-lived. Almost all of the affected employees were back to work within three weeks. Their return to work brought employment at Harpers back up to 550 jobs. Harpers, which is changing its name to flexcel-Post Falls, is the Panhandle's largest manufac-

turing plant. The next largest manufacturing plant in Kootenai County—employing slightly more than 300 people—is the Advanced Input Devices (AID) computer equipment plant in Coeur d’Alene.

AREA DEVELOPMENTS

Benewah County

- Betty Brandon and her daughter-in-law, Ronene Weaver, recently opened Java on the Joe, selling lattes, mochas, granitas, and other refreshments to boaters and motorists on the St. Joe River Road. It also includes a gift shop where the owners will make and deliver gift baskets. Located about eight miles from St. Maries, the business will remain open throughout the year.

Bonner County

- The Bonner County Economic Development Corporation, the Sandpoint-based nonprofit organization recruiting new employers and promoting economic development, announced in July that two more businesses will be moving to the Sandpoint area. CTC Accessories—currently located in Enumclaw, Washington—designs and distributes snowboard lashes, ski pass holders, traction pads for snowboarding, ski harnesses for children, and boot and board totes, attaching customized logos for the resorts and stores that order them. When CTC moves to Sandpoint, it will hire two people. Ski Doctor Designs—currently located in Sacramento, California—designs and makes equipment for skiers with disabilities including the ShockShaft F1, a four-arm crutch with a shock absorber for skiing. Ski Doctor Designs will employ four to six employees when it moves to the Sandpoint area this fall. The proximity of Schweitzer Mountain Resort, the ski area near Sandpoint, was a factor in both businesses’ decisions to move to the area.

Shoshone County

- Dave Smith Motors, which ties with the Galena Mine as the largest private employer in Shoshone County, recently renovated the former Sunnyside Elementary School in Kellogg into a new showroom and office area. About 240 people work for the automotive dealership, renowned for its one-price system. Several times a week, shuttles from the Spokane Airport, 76 miles away, bring potential customers from all over the United States to the dealership. As individual Silver Valley dealerships closed in the economically troubled 1980s, Dave Smith bought them, so now it sells Dodge, Chrysler, Plymouth, and GM vehicles. The dealership added Jeep vehicles to its line-up last year. The new building gives the dealership staff, including the sizeable Internet sales department, more room.
- MFG Inc. moved its North Idaho office 40 miles from Osburn in the Silver Valley to 1044 Northwest Boulevard in Coeur d’Alene in June. The environmental engineering and consulting company, based in Colorado, says the move will make it easier to serve cus-

tomers in Eastern Washington. The office employs seven people. As the mining industry in the Silver Valley has downsized since the early 1980s, several mine service and mining corporate headquarters have made similar moves from the valley to Coeur d’Alene.

Kootenai County

- The University of Idaho Research Park in Post Falls, which completed its first building in July, soon will welcome four new tenants. Super Green Inc., a biotech company developed by University of Idaho Chemistry Department Chair Chien Wah, will occupy a 1,500-square-foot space where it will extract nutrients and pharmaceutical elements from plants. The U. S. Geological Survey is moving its regional water resources division from Sandpoint to a 4,000-square-foot space, employing eight people. As mentioned in the March newsletter, the 15-employee Center for Advanced Microelectronics and Biomolecular Research is moving from the University of New Mexico into a 6,000-square-foot space. The center’s founder, electronics engineering professor Gary Maki, develops bioelectronic sensors for detecting diseases or poisons for medical and antiterrorism purposes. Idaho Tech-Help, located in a 600-square-foot office, provides manufacturing and engineering assistance to small businesses. TechHelp is a nonprofit organization created by a partnership between the University of Idaho, Idaho State University, and Boise State University.
- The Ziegler family, who owns several building material stores in the Panhandle and Eastern Washington, recently moved their wholesale building material company, Big Bear Lumber, to Post Falls, bringing 25 jobs. Big Bear was located in the Hillyard area of Spokane for 15 years until it was forced to move to make way for construction on the new north-south freeway. In June, it moved to five acres behind the Zieglers’ retail store, Ziggy’s, on Highway 95 in Post Falls. The Zieglers also are moving their door and shed assembly shop. When the shop moves to Post Falls later this summer, eight more workers will be hired.
- Post Falls also became home to several other businesses this summer. Ace Tarps & Covers, a new business at 2605 North Highway 4, makes and repairs boat covers, marina covers, pond liners, and tarps, including those used to cover semi-loads of logs. River City Paper Co. sells supplies for scrapbooking, including paper, stickers, and rubber stamps, in a 2,100-square-foot space in River City Plaza, a mini-mall at 2600 East Seltice Way. Jeff Kemp and two employees opened his new business, Graffiti Sound Solutions, in a new building at 535 Geyer Street in Post Falls at the end of June. The store specializes in audio, video, navigation, and security equipment for motor vehicles.

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DATA ON LABOR FORCE TURNOVER

There are two data series that can provide information on labor force dynamics, such as job openings, hires, and terminations. One is a new survey program conducted by the U.S. Bureau of Labor Statistics (BLS). It is named the Job Openings and Labor Turnover Survey (JOLTS). The other data series comes from the Idaho Department of Labor and is called New Hire Reporting.

JOLTS

The following information is reprinted from a BLS press release dated July 30, 2002, and placed on the bureau's Internet site at <http://www.bls.gov/>.

A new data survey on job openings and labor turnover was announced recently by the U.S. Bureau of Labor Statistics. These series include estimates of the number and rate of job openings, hires, and separations for the nation, by industry and geographic region. Job openings are a measure of unmet labor demand and can be compared with unemployment, which measures unused labor supply.

| FYI Table 1: Idaho New Hires, 1998-2001 | | | |
|---|-----------|------------------|-------------------|
| | New Hires | Total Employment | Unemployment Rate |
| 1998 | 245,662 | 620,217 | 5.0 |
| 1999 | 238,346 | 617,393 | 5.2 |
| 2000 | 229,452 | 625,798 | 4.9 |
| 2001 | 198,042 | 648,392 | 5.0 |

| FYI Table 2: New Hires First 2 Quarters, 2001 & 2002 | | |
|--|--------|--------|
| | 2001 | 2002 |
| First Quarter | 46,540 | 36,618 |
| Second Quarter | 54,188 | 45,366 |

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Kootenai County (cont.)

- Medical doctors Ronda Westcott and Jean Prince recently opened Lakeside Pediatric & Adolescent Medicine PLLC, a clinic at 1111 West Ironwood Drive in Coeur d'Alene. The Ironwood area surrounding Kootenai Medical Center (KMC) contains 134 health care providers, employing about 3,000 people including the 1,520 people employed at KMC. Almost half of those businesses started operating during the last 10 years. Health care providers in other parts of Kootenai County number 116 and employ slightly more than 700 people.
- Downtown Coeur d'Alene attracted some new businesses this summer. Railhead Ranchwear, featuring furniture hand-crafted by owner Todd Schild, will open at Fifth and Sherman in the next few weeks. The furniture gallery sells furniture, including leather, flooring, and wallpaper. At 517 Sherman Avenue, it's Christmas year round since Christmas at the Lake opened there. The store features Christmas decorations and collectibles, and also sells items for Halloween, Easter, and other holidays, depending on the season.
- Coffee Shots, a new business at 520 Best Avenue in Coeur d'Alene, offers arcade games and refreshments including coffee drinks, pizza, burgers, soups, and pastries. Owners George and Christine May want it to be a "good place for youth to hang out and feel safe."

- The U.S. Department of Agriculture Rural Development Project recently guaranteed a \$220,000 business loan for O'Malley's Sport Pub & Grill in Rathdrum so it can expand. After the expansion, O'Malley's will hire two more workers, bringing its employment to 20.
- Tim's Cut Meats recently opened in a 10,000-square-foot building at 7397 Government Way in Dalton Gardens. Owner Tim Brannen and seven employees run the butcher shop.

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